



United States General Accounting Office
Washington, D.C. 20548

National Security and
International Affairs Division

B-285392

June 14, 2000

The Honorable John R. Kasich
Chairman, Committee on the Budget
House of Representatives

Dear Mr. Chairman:

The Department of Defense's (DOD) Future Years Defense Program (FYDP) is the official document that summarizes the force levels and funding associated with specific programs that the Secretary of Defense would like to see approved by Congress. The FYDP presents estimated appropriation needs for the budget year for which funds are being requested from Congress and at least the 4 years following it. The fiscal year 2000 FYDP requested \$1,434 billion total funding for fiscal years 2001-2005, whereas the fiscal year 2001 FYDP requests \$1,450 billion total funding for the same 5-year period.¹ As requested, we compared the planned funding levels for the common years of the fiscal year 2000 and fiscal year 2001 FYDP requests.

The FYDP reflects decisions made in the DOD Planning, Programming, and Budgeting System, which is intended to produce the best possible mixture of forces, equipment, and support to accomplish DOD's mission. The 2000 FYDP supported the President's 2000 budget and included budget estimates for 2000-2005. The 2001 FYDP supports the President's 2001 budget and includes budget estimates for 2001-2005.

Results in Brief

In constant dollars, there are only minor increases in the projected year-to-year funding totals over the common 5-year period, 2001-2005, from the 2000 FYDP to the 2001 FYDP. DOD plans to increase total funding over the 5-year period by \$15.8 billion, or 1.1 percent, over the total funding projected in the 2000 FYDP. Table 1 compares the two plans, by primary appropriation category.

¹ Unless otherwise stated, the years and dollars shown in this report are on a fiscal year basis and in constant fiscal year 2001 dollars.

Table 1: DOD's 2000 and 2001 FYDPs, by Primary Appropriation Category (total obligational authority in billions of fiscal year 2001 dollars)

Appropriation category		2001	2002	2003	2004	2005	Total	Percent change 2001-2005
Military personnel	2000	\$76.5	\$76.1	\$75.9	\$75.9	\$75.9	\$380.3	
	2001	75.8	76.0	75.7	76.0	76.0	379.5	
	Change	-0.7	-0.1	-0.2	0.1	0.1	-0.8	-0.2
Operation and maintenance	2000	105.1	103.6	103.7	104.2	104.4	521.0	
	2001	109.0	105.3	104.7	105.2	105.1	529.4	
	Change	4.0	1.7	1.0	1.0	0.7	8.5	1.6
Procurement	2000	61.4	60.8	63.7	64.9	68.9	319.6	
	2001	60.3	62.0	64.4	64.0	65.8	316.4	
	Change	-1.1	1.2	0.7	-0.8	-3.1	-3.2	-1.0
Research, development, test, and evaluation	2000	34.1	33.8	33.0	32.7	31.3	165.0	
	2001	37.9	37.7	36.3	35.4	33.7	180.9	
	Change	3.8	3.9	3.2	2.7	2.4	15.9	9.6
Military construction	2000	7.1	4.1	4.1	4.2	4.4	23.9	
	2001	4.6	4.2	3.7	4.3	5.0	21.7	
	Change	-2.5	0.1	-0.5	0.2	0.5	-2.2	-9.1
Family housing	2000	3.8	3.5	3.6	3.6	3.6	18.2	
	2001	3.5	3.7	3.7	3.8	3.8	18.4	
	Change	-0.4	0.1	0.1	0.2	0.2	0.2	1.3
Other ^a	2000	0.8	1.3	2.1	1.2	0.9	6.3	
	2001	1.3	0.8	0.7	0.4	0.4	3.6	
	Change	0.5	-0.6	-1.4	-0.8	-0.5	-2.7	-42.5
Total	2000	\$288.7	\$283.3	\$286.1	\$286.7	\$289.4	\$1,434.2	
	2001	\$292.3	\$289.6	\$289.2	\$289.1	\$289.7	\$1,450.0	
	Change	\$3.7	\$6.3	\$3.1	\$2.4	\$0.4	\$15.8	1.1

^aIncludes revolving and management funds and defensewide contingencies.

Note: Totals may not add due to rounding.

Source: Our analysis of FYDP data.

Although total programmed funds for military personnel remain virtually the same in this year's FYDP as in last year's FYDP, programmed personnel funds for Army and Air Force active forces decline, whereas programmed funds for other forces increase. The largest funding increase in the operation and maintenance accounts is \$9.7 billion, which is programmed for overseas contingencies. While DOD's programmed procurement spending remains above the \$60-billion threshold recommended by the last

Quadrennial Defense Review in 1997,² the 2001 FYDP projects a \$3.2-billion decrease, or 1 percent, from last year's FYDP projections. Research, development, test, and evaluation is programmed to receive the largest appropriation increase (\$15.9 billion, or 9.6 percent) and, within this category, the defensewide account is programmed to receive the largest increase (\$8.3 billion). The total reduction in military construction funds would be greater than the \$2.2 billion shown in table 1 were it not for \$1.9 billion of new funds in the 2001 FYDP for a base realignment and closure round in 2003. DOD reviewed a draft of this report and stated that the funding data are accurate.

Programmed Personnel Funds for Army and Air Force Active Forces Decline Whereas Programmed Funds for Other Forces Increase

The military personnel appropriation includes funds for such items as active and reserve component pay and allowances, retirement contributions, and permanent change of station travel. As table 2 shows, total programmed funds for military personnel remain virtually the same in this year's FYDP as in last year's FYDP. However, programmed personnel funds for Army and Air Force active forces decline whereas programmed funds for other forces increase. Active Army and Air Force military personnel accounts show decreases of \$2.2 billion and \$0.5 billion, respectively. All other personnel accounts in the 2001 FYDP are projected to increase over the projections shown in the 2000 FYDP. Projected savings from planned reduction in reserve component personnel are shown in the Reserve component personnel, Army account.

² The Review, an examination of America's defense needs from 1997 to 2015, attempted to achieve a better balance in DOD's financial plans to meet its military forces' current requirements and address long-term modernization needs.

Table 2: Military Personnel Appropriation Accounts, 2000 and 2001 FYDPs (total obligational authority in millions of fiscal year 2001 dollars)

Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
Military personnel, Army	2000	\$22,770	\$22,715	\$22,730	\$22,765	\$22,823	\$113,804	
	2001	22,198	22,274	22,283	22,388	22,417	111,561	
	Change	-571	-441	-447	-377	-406	-2,243	-2.0
Military personnel, Navy	2000	17,952	17,963	17,935	17,919	17,985	89,752	
	2001	17,743	18,014	18,063	18,095	18,149	90,063	
	Change	-209	51	128	176	164	310	0.3
Military personnel, Marine Corps	2000	6,864	6,863	6,855	6,848	6,865	34,296	
	2001	6,822	6,865	6,879	6,882	6,881	34,331	
	Change	-42	3	24	34	16	35	0.1
Military personnel, Air Force	2000	18,445	18,145	17,993	17,949	18,002	90,534	
	2001	18,283	18,176	17,759	17,885	17,928	90,031	
	Change	-163	31	-234	-65	-74	-503	-0.6
Reserve personnel, Army	2000	2,375	2,351	2,385	2,391	2,365	11,867	
	2001	2,434	2,438	2,429	2,451	2,416	12,168	
	Change	59	87	44	61	51	301	2.5
Reserve component personnel, Army ^a	2000	-30	-95	-143	-142	-141	-551	
	2001	0	-124	-166	-168	-169	-627	
	Change	30	-29	-23	-26	-28	-76	
Reserve personnel, Navy	2000	1,482	1,475	1,468	1,466	1,448	7,339	
	2001	1,528	1,533	1,550	1,566	1,580	7,757	
	Change	46	58	82	100	132	418	5.7
Reserve personnel, Marine Corps	2000	425	423	412	411	405	2,076	
	2001	436	433	425	426	429	2,149	
	Change	12	10	12	14	25	73	3.5
Reserve personnel, Air Force	2000	944	942	938	933	908	4,664	
	2001	982	998	996	991	968	4,935	
	Change	38	56	58	58	60	271	5.8
National Guard personnel, Army	2000	3,720	3,733	3,769	3,779	3,732	18,733	
	2001	3,748	3,756	3,855	3,832	3,816	19,008	
	Change	27	23	87	54	84	275	1.5
National Guard personnel, Air Force	2000	1,558	1,559	1,562	1,574	1,531	7,785	
	2001	1,627	1,637	1,625	1,641	1,600	8,131	
	Change	69	78	62	67	69	346	4.4
Total	2000	\$76,505	\$76,073	\$75,906	\$75,893	\$75,922	\$380,298	
	2001	\$75,802	\$76,000	\$75,699	\$75,990	\$76,015	\$379,505	
	Change	\$-703	\$-73	\$-207	\$97	\$93	\$-793	-0.2

^aAdjusts the Army Reserve and National Guard accounts pending completion of Quadrennial Defense Review actions.

Note: Totals may not add due to rounding.

Source: Our analysis of FYDP data.

Overseas Contingency Operations Transfer Fund Projected to Receive Largest Operation and Maintenance Increase

The operation and maintenance (O&M) appropriation includes funds for such items as civilian personnel management and pay and benefits; transportation; health and child care; troop training; and maintenance of tanks, airplanes, ships, and related equipment. As table 3 shows, O&M funds programmed in the 2001 FYDP show a total increase of about \$8.5 billion, or 1.6 percent, from the funds programmed in the 2000 FYDP. The largest increase, \$9.7 billion, is planned for the Overseas Contingency Operations Transfer Fund.³ Other large increases are planned for the Navy (\$2.6 billion), the Defense Health Program (\$615 million), the Air National Guard (\$534 million), and the Army National Guard (\$490 million). The biggest decreases are planned for the Army and the Air Force, \$3.8 and \$2.4 billion, respectively.

³ In the DOD Appropriations Act of 1997 (P.L. 104-208), Congress established the Overseas Contingency Operations Transfer Fund to pay for ongoing contingency operations. Congress appropriates money to the Fund. As an operation unfolds during the year, DOD can transfer money directly from the Fund to the military services' O&M accounts.

Table 3: Operation and Maintenance Appropriation Accounts, 2000 and 2001 FYDPs (total obligational authority in millions of fiscal year 2001 dollars)

Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
O&M, Army	2000	\$19,487	\$19,851	\$19,816	\$19,927	\$19,873	\$98,954	
	2001	19,124	19,197	18,984	18,942	18,882	95,129	
	Change	-363	-654	-832	-985	-991	-3,825	-3.9
O&M, Navy	2000	22,728	22,420	22,423	22,188	22,063	111,823	
	2001	23,300	23,057	23,027	22,654	22,373	114,411	
	Change	572	636	604	466	310	2,588	2.3
O&M, Marine Corps	2000	2,735	2,685	2,647	2,641	2,651	13,360	
	2001	2,706	2,732	2,689	2,692	2,684	13,503	
	Change	-29	47	42	51	33	143	1.1
O&M, Air Force	2000	22,246	22,155	22,519	23,236	23,472	113,629	
	2001	22,347	21,935	21,846	22,520	22,600	111,248	
	Change	101	-220	-673	-716	-872	-2,381	-2.1
O&M, defensewide	2000	11,592	11,544	11,494	11,563	11,657	57,851	
	2001	11,920	11,568	11,515	11,484	11,502	57,989	
	Change	328	23	21	-80	-155	138	0.2
O&M, Army Reserve	2000	1,504	1,555	1,560	1,545	1,544	7,708	
	2001	1,521	1,551	1,559	1,566	1,574	7,771	
	Change	18	-3	-2	21	30	64	0.8
O&M, Army Reserve Component	2000	-18	-51	-69	-69	-69	-276	
	2001	0	-27	-55	-56	-57	-196	
	Change	18	24	14	13	12	80	
O&M, Navy Reserve	2000	902	931	1,013	907	930	4,683	
	2001	961	934	922	938	959	4,714	
	Change	59	2	-91	31	29	31	0.7
O&M, Marine Corps Reserve	2000	132	130	129	129	130	650	
	2001	134	136	135	136	138	679	
	Change	2	7	6	7	8	30	4.6
O&M, Air Force Reserve	2000	1,811	1,831	1,844	1,816	1,807	9,109	
	2001	1,886	1,843	1,843	1,847	1,829	9,247	
	Change	75	12	-1	31	22	139	1.5
O&M, Army National Guard	2000	3,088	3,133	3,150	3,143	3,152	15,667	
	2001	3,182	3,182	3,232	3,260	3,300	16,157	
	Change	94	48	82	117	148	490	3.1
O&M, Air National Guard	2000	3,300	3,302	3,287	3,304	3,305	16,498	
	2001	3,446	3,398	3,369	3,419	3,400	17,032	
	Change	146	96	82	114	95	534	3.2
Environmental restoration fund, Army	2000	389	347	347	345	321	1,749	
	2001	390	381	381	381	381	1,915	
	Change	1	34	35	36	60	167	9.5

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Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
Environmental restoration fund, Navy	2000	300	280	254	238	232	1,304	
	2001	294	276	252	236	231	1,289	
	Change	-6	-4	-2	-2	-1	-15	-1.2
Environmental restoration fund, Air Force	2000	385	383	379	379	376	1,902	
	2001	376	377	375	377	377	1,883	
	Change	-9	-6	-4	-1	1	-19	-1.0
Environmental restoration fund, defensewide	2000	24	23	23	23	23	115	
	2001	23	23	23	23	23	115	
	Change	0	0	0	0	0	0	0.0
Environmental restoration fund, formerly used sites	2000	190	189	187	187	187	941	
	2001	186	186	185	186	187	932	
	Change	-4	-3	-2	-1	1	-9	-0.9
Drug interdiction and counterdrug activities, Defense	2000	781	769	757	755	753	3,815	
	2001	836	764	759	761	763	3,882	
	Change	55	-5	1	6	10	68	1.8
Defense Health Program	2000	11,440	11,170	10,972	10,971	10,999	55,552	
	2001	11,600	11,167	11,055	11,121	11,223	56,167	
	Change	160	-3	84	150	223	615	1.1
Former Soviet Union threat reduction	2000	509	447	485	475	366	2,282	
	2001	458	402	421	540	449	2,270	
	Change	-50	-45	-65	65	83	-12	-0.5
Overseas contingency operations transfer fund	2000	1,314	292	285	277	361	2,530	
	2001	4,101	2,029	2,014	1,988	2,055	12,186	
	Change	2,786	1,737	1,729	1,710	1,694	9,656	381.6
Other O&M	2000	224	223	222	221	221	1,111	
	2001	251	219	216	213	213	1,112	
	Change	27	-4	-6	-8	-8	2	0.1
Total	2000	\$105,064	\$103,611	\$103,726	\$104,199	\$104,355	\$520,955	
	2001	\$109,044	\$105,330	\$104,748	\$105,227	\$105,087	\$529,436	
	Change	\$3,981	\$1,719	\$1,021	\$1,028	\$732	\$8,481	1.6

Note: Totals may not add due to rounding.

Source: Our analysis of FYDP data.

Programmed Procurement Funds in 2001 FYDP Are Less Than Last Year's Projection

The procurement appropriation includes funds to acquire items such as weapons and their components, communications and support equipment, munitions, and spare parts. While DOD's programmed procurement spending remains above the \$60-billion annual threshold recommended by the last Quadrennial Defense Review in 1997, the 2001 FYDP projects a \$3.2-billion, or 1-percent, decrease from last year's FYDP. As table 4 shows, all of the services project decreases in their procurement spending in the

2001 FYDP from the levels projected in the 2000 FYDP with the exception of the Air Force, which shows a \$1-billion increase over last year's level. Appendix I shows more detailed breakouts of the appropriation categories.

Table 4: Procurement Appropriation Category by Component, 2000 and 2001 FYDPs (total obligational authority in millions of fiscal year 2001 dollars)

Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
Army procurement	2000	\$9,468	\$10,397	\$11,893	\$11,923	\$13,354	\$57,037	
	2001	9,421	10,995	11,957	11,839	12,234	56,446	
	Change	-47	597	64	-84	-1,120	-591	-1.0
Navy/Marine Corps procurement	2000	26,864	23,733	25,458	26,581	28,246	130,883	
	2001	26,631	23,753	24,992	25,847	26,444	127,668	
	Change	-233	20	-466	-734	-1,801	-3,215	-2.5
Air Force procurement	2000	21,165	22,358	22,323	21,970	22,675	110,491	
	2001	20,939	22,593	23,384	21,855	22,760	111,532	
	Change	-226	235	1,060	-114	85	1,041	0.9
Defensewide procurement	2000	3,871	4,295	3,996	4,376	4,638	21,176	
	2001	3,279	4,620	4,046	4,462	4,351	20,757	
	Change	-593	325	49	86	-287	-419	-2.0
Total	2000	\$61,369	\$60,783	\$63,671	\$64,851	\$68,912	\$319,586	
	2001	\$60,270	\$61,961	\$64,378	\$64,004	\$65,790	\$316,403	
	Change	\$-1,099	\$1,178	\$708	\$-847	\$-3,123	\$-3,183	-1.0

Note: Totals may not add due to rounding.

Source: Our analysis of FYDP data.

Research, Development, Test, and Evaluation Projected to Receive Largest Appropriation Increase

The research, development, test, and evaluation (RDT&E) appropriation includes funds for the development and testing of weapons and equipment, development of prototypes, support of basic research, and exploratory development of technologies with potential military applications. As table 5 shows, RDT&E total planned funds in the 2001 FYDP are \$15.9 billion, or 9.6 percent, greater than the projected funds in the 2000 FYDP. The largest increase, \$8.3 billion, is programmed for the defensewide account. In addition, all of the military services project increases in their accounts in excess of \$2 billion.

Table 5: Research, Development, Test, and Evaluation Appropriation Accounts, 2000 and 2001 FYDPs (total obligational authority in millions of fiscal year 2001 dollars)

Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
RDT&E Army	2000	\$4,723	\$4,806	\$4,482	\$4,600	\$4,259	\$22,869	9.4
	2001	5,260	5,468	4,932	4,875	4,494	25,030	
	Change	538	663	450	276	235	2,161	
RDT&E, Navy	2000	7,928	8,108	7,856	7,713	7,428	39,033	7.6
	2001	8,477	8,851	8,753	8,160	7,769	42,010	
	Change	549	743	897	447	340	2,977	
RDT&E, Air Force	2000	12,681	12,453	12,625	12,734	12,225	62,718	4.6
	2001	13,686	13,667	13,033	12,987	12,229	65,601	
	Change	1,005	1,214	408	253	4	2,883	
RDT&E, defensewide	2000	8,479	8,215	7,779	7,424	7,094	38,991	21.2
	2001	10,238	9,544	9,335	9,177	8,959	47,253	
	Change	1,759	1,330	1,556	1,753	1,865	8,262	
Director, Operational Test and Evaluation, Defense ^a	2000	276	267	275	274	274	1,366	-26.7
	2001	202	194	202	202	202	1,001	
	Change	-74	-73	-73	-73	-72	-365	
Total	2000	\$34,087	\$33,848	\$33,017	\$32,746	\$31,280	\$164,977	9.6
	2001	\$37,862	\$37,725	\$36,254	\$35,401	\$33,652	\$180,895	
	Change	\$3,776	\$3,877	\$3,237	\$2,656	\$2,372	\$15,917	

^aIncludes the funding for Director, Test and Evaluation, Defense in the 2000 FYDP.

Note: Totals may not add due to rounding.

Source: Our analysis of FYDP data.

Decrease in Projected Military Construction Funds Would Be Greater Without New Funds for Base Closures

The military construction appropriation includes funds to acquire, construct, and furnish installations and facilities and perform major repairs of facilities. As table 6 shows, DOD's total projected military construction funds in the 2001 FYDP are \$2.2 billion lower than that projected in the 2000 FYDP. All of the military construction accounts, except for two base realignment and closure accounts, show a decrease in funds. The total reduction in military construction funds would be greater than the \$2.2 billion were it not for \$1.9 billion of new funds in the 2001 FYDP for a base realignment and closure round in 2003. The largest decreases occur in the military construction, defensewide account (\$1.6 billion); the active Air Force account (\$947 million); the base realignment and closure accounts, environmental restoration (\$944 million); and the active Navy account (\$593 million). DOD is requesting congressional approval for two additional base realignment and closure rounds in 2003 and 2005. The 2001

FYDP includes approximately \$653 million in 2004 and \$1.3 billion in 2005 to begin implementation of a 2003 base closure round.

Table 6: Military Construction Appropriation Accounts, 2000 and 2001 FYDPs (total obligational authority in millions of fiscal year 2001 dollars)

Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
Military construction, Army	2000	\$1,600	\$1,044	\$883	\$804	\$785	\$5,115	
	2001	898	1,097	1,052	1,023	931	5,001	
	Change	-702	53	169	219	147	-114	-2.2
Military construction, Navy	2000	1,254	856	965	929	942	4,946	
	2001	753	797	920	954	929	4,353	
	Change	-501	-59	-45	25	-13	-593	-12.0
Military construction, Air Force	2000	908	597	587	735	717	3,544	
	2001	531	685	325	462	594	2,597	
	Change	-377	88	-262	-272	-123	-947	-26.7
Military construction, defensewide	2000	1,120	792	937	943	1,093	4,885	
	2001	785	734	674	577	564	3,334	
	Change	-335	-58	-263	-366	-529	-1,551	-31.7
Military construction, Army Reserve	2000	142	69	57	68	69	405	
	2001	82	60	52	58	61	313	
	Change	-60	-9	-5	-10	-7	-92	-22.8
Military construction, Navy Reserve	2000	30	23	21	25	18	117	
	2001	16	23	21	28	21	109	
	Change	-14	0	0	3	2	-8	-6.9
Military construction, Army National Guard	2000	89	51	47	46	66	299	
	2001	59	65	47	46	67	284	
	Change	-30	14	0	0	0	-15	-5.0
Military construction, Air National Guard	2000	108	49	55	55	54	321	
	2001	50	60	29	43	52	235	
	Change	-58	12	-26	-12	-2	-86	-26.7
Military construction, Air Force Reserve	2000	35	23	30	33	33	154	
	2001	15	22	10	16	18	81	
	Change	-20	-2	-19	-17	-15	-73	-47.5
North Atlantic Treaty Organization Security Investment Program	2000	208	258	252	311	445	1,473	
	2001	201	196	206	237	241	1,080	
	Change	-7	-62	-46	-74	-204	-393	-26.7
Base realignment and closure accounts, II, III, and IV	2000	1,558	59	25	30	34	1,706	
	2001	1,178	469	333	221	207	2,407	
	Change	-380	410	307	192	173	701	41.1
Base realignment and closure accounts, 2003	2000	0	0	0	0	0	0	
	2001	0	0	0	653	1,280	1,933	
	Change	0	0	0	653	1,280	1,933	

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Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
Base realignment and closure	2000	0	323	286	175	159	944	
accounts, environmental	2001	0	0	0	0	0	0	
restoration	Change	0	-323	-286	-175	-159	-944	-100.0
	2000	\$7,051	\$4,144	\$4,145	\$4,154	\$4,415	\$23,909	
	2001	\$4,568	\$4,208	\$3,668	\$4,320	\$4,964	\$21,728	
Total	Change	\$-2,483	\$65	\$-476	\$166	\$549	\$-2,180	-9.1

Note: Totals may not add due to rounding.

Source: Our analysis of FYDP data.

Projected Family Housing Funds in 2001 FYDP Are Slightly Greater Than Last Year's Projection

The family housing appropriation includes funds for the construction, improvement, operations, maintenance, and leasing of military family housing. As shown in table 7, total funds for family housing in the 2001 FYDP show only a slight increase of \$242 million, or 1.3 percent, from the 2000 FYDP request. The Army's and the Navy's programs project increases of over \$500 million each, while the Air Force projects a \$296-million decrease.

Table 7: Family Housing Appropriation Accounts, 2000 and 2001 FYDPs (total obligational authority in millions of fiscal year 2001 dollars)

Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
Family housing, Army	2000 ^a	\$1,058	\$988	\$1,031	\$1,040	\$1,047	\$5,164	
	2001 ^a	1,140	1,125	1,148	1,149	1,160	5,722	
	Change	82	136	116	109	114	557	10.8
Family housing, Navy and Marine Corps	2000 ^a	1,238	1,118	1,083	1,047	1,038	5,524	
	2001 ^a	1,245	1,183	1,209	1,217	1,255	6,110	
	Change	7	65	126	170	217	586	10.6
Family housing, Air Force	2000 ^a	1,273	1,318	1,355	1,387	1,357	6,690	
	2001 ^a	1,050	1,299	1,337	1,368	1,339	6,394	
	Change	-223	-18	-18	-19	-17	-296	-4.4
Family housing, defensewide	2000 ^a	43	43	43	43	43	215	
	2001 ^a	45	45	45	44	44	223	
	Change	2	2	2	1	1	8	3.7
Homeowner's assistance fund, defense	2000	51	0	0	0	0	51	
	2001	0	0	0	0	0	0	
	Change	-51	0	0	0	0	-51	-100.0

(Continued From Previous Page)

Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
DOD family housing improvement fund ^b	2000	175	71	86	106	124	562	
	2001	0	0	0	0	0	0	
	Change	-175	-71	-86	-106	-124	-562	-100.0
	2000	\$3,838	\$3,539	\$3,598	\$3,624	\$3,608	\$18,207	
	2001	\$3,480	\$3,652	\$3,739	\$3,779	\$3,799	\$18,449	
Total	Change	\$-357	\$113	\$140	\$155	\$191	\$242	1.3

^aIncludes both family housing, construction and family housing, operations appropriations.^bIn the 2001 FYDP, this funding is included in the services' and defensewide family housing, construction accounts.

Note: Totals may not add due to rounding.

Source: Our analysis of FYDP data.

Agency Comments

In oral comments on a draft of this report, the Director, Programming and Fiscal Economics, Program Analysis and Evaluation, Office of the Secretary of Defense, said that the funding data presented in the report are accurate.

Scope and Methodology

To compare the two FYDPs, we analyzed funding data from the 2000 and 2001 FYDPs for fiscal years 2001-2005. We adjusted the current dollars to constant 2001 dollars using appropriate DOD Comptroller inflation indexes. We did not test DOD's management controls of the FYDP data or verify the data contained in either the 2000 or the 2001 FYDP. However, we compared DOD's automated FYDP data with published documents DOD provided. Specifically, we compared total budget estimates, appropriation totals, military and civilian personnel levels, force structure levels, and some specific program information. Based on our comparison, we were satisfied that the automated FYDP data and published data were in agreement. We did not analyze the reasons for the changes in planned funding because we plan to discuss those reasons, together with the risks that may prevent the 2001 FYDP from being implemented as planned, in a report to be issued later this year.

Our review was conducted from March through May 2000 in accordance with generally accepted government auditing standards.

We are sending copies of this report to other appropriate congressional committees; the Honorable William Cohen, Secretary of Defense; the Honorable F. Whitten Peters, Secretary of the Air Force; the Honorable Louis Caldera, Secretary of the Army; and the Honorable Richard Danzig, Secretary of the Navy. We will also provide copies to others upon request.

If you have any questions concerning this report, please call Robert Pelletier on (202) 512-4032. Key contributors to this report were George O. Morse, Suzanne Wren, Mary Jo LaCasse, and Patricia Lentini.

Sincerely yours,

A handwritten signature in black ink, reading "Norman Rabkin". The signature is written in a cursive style with a large, stylized "N" and "R".

Norman J. Rabkin
Director, National Security
Preparedness

Procurement Accounts in the Department of Defense's 2000 and 2001 Future Years Defense Programs

The following tables show the differences between procurement accounts in the 2000 and 2001 Future Years Defense Programs (FYDP) over the years common to the two programs, 2001-2005.

Table 8: Army Procurement Appropriation Accounts, 2000 and 2001 FYDPs (total obligational authority in millions of fiscal year 2001 dollars)

Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
Aircraft procurement, Army	2000	\$1,303	\$1,877	\$2,165	\$2,329	\$2,833	\$10,507	
	2001	1,323	1,845	2,138	2,270	2,745	10,321	
	Change	20	-32	-27	-59	-88	-186	-1.8
Missile procurement, Army	2000	1,404	1,317	1,518	1,090	1,364	6,693	
	2001	1,296	1,345	1,403	1,205	1,230	6,479	
	Change	-108	28	-116	115	-134	-214	-3.2
Procurement of weapons and tracked combat vehicles, Army	2000	1,490	1,660	1,663	2,332	2,647	9,792	
	2001	1,875	2,540	2,175	2,535	2,561	11,686	
	Change	385	881	511	204	-86	1,895	19.3
Procurement of ammunition, Army	2000	1,249	1,379	1,463	1,473	1,451	7,014	
	2001	1,131	1,252	1,323	1,323	1,286	6,315	
	Change	-117	-127	-140	-150	-165	-699	-10.0
Other procurement, Army	2000	4,023	4,165	5,084	4,700	5,058	23,030	
	2001	3,796	4,012	4,918	4,506	4,412	21,644	
	Change	-227	-153	-166	-194	-647	-1,386	-6.0
Total	2000	\$9,468	\$10,397	\$11,893	\$11,923	\$13,354	\$57,037	
	2001	\$9,421	\$10,995	\$11,957	\$11,839	\$12,234	\$56,446	
	Change	\$-47	\$597	\$64	\$-84	\$-1,120	\$-591	-1.0

Note: Totals may not add due to rounding.

Source: Our analysis of FYDP data.

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Procurement Accounts in the Department of
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Table 9: Navy/Marine Corps Procurement Appropriation Accounts, 2000 and 2001 FYDPs (total obligational authority in millions of fiscal year 2001 dollars)

Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
Aircraft procurement, Navy	2000	\$7,957	\$8,356	\$8,469	\$8,355	\$8,341	\$41,478	
	2001	7,964	8,087	8,506	8,108	8,295	40,960	
	Change	7	-270	37	-246	-46	-519	-1.3
Weapons procurement, Navy	2000	1,549	1,636	1,869	1,963	2,072	9,088	
	2001	1,434	1,492	1,690	1,893	1,962	8,471	
	Change	-115	-144	-179	-70	-110	-617	-6.8
Shipbuilding and conversion, Navy	2000	12,144	7,400	8,350	9,151	10,483	47,528	
	2001	12,297	8,278	8,090	9,331	9,501	47,497	
	Change	153	878	-261	181	-982	-31	-0.1
Ammunition procurement, Navy and Marine Corps	2000	477	537	617	681	700	3,012	
	2001	430	399	500	570	531	2,430	
	Change	-47	-138	-117	-111	-169	-582	-19.3
Other procurement, Navy	2000	3,616	4,618	4,837	4,970	4,975	23,016	
	2001	3,335	4,376	4,837	4,583	4,679	21,809	
	Change	-281	-243	0	-387	-296	-1,207	-5.2
Procurement, Marine Corps	2000	1,122	1,185	1,316	1,462	1,674	6,760	
	2001	1,172	1,122	1,369	1,362	1,477	6,501	
	Change	50	-64	52	-100	-197	-259	-3.8
Total	2000	\$26,864	\$23,733	\$25,458	\$26,581	\$28,246	\$130,883	
	2001	\$26,631	\$23,753	\$24,992	\$25,847	\$26,444	\$127,668	
	Change	\$-233	\$20	\$-466	\$-734	\$-1,801	\$-3,215	-2.5

Note: Totals may not add due to rounding.

Source: Our analysis of FYDP data.

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Table 10: Air Force Procurement Appropriations Accounts, 2000 and 2001 FYDPs (total obligational authority in millions of fiscal year 2001 dollars)

Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
Aircraft procurement, Air Force	2000	\$9,857	\$10,718	\$10,748	\$10,148	\$10,798	\$52,269	
	2001	9,540	10,358	10,935	9,878	10,474	51,184	
	Change	-317	-360	186	-270	-324	-1,085	-2.1
Missile procurement, Air Force	2000	3,315	3,610	3,386	3,459	3,447	17,217	
	2001	3,062	3,502	3,993	3,469	3,803	17,829	
	Change	-253	-108	607	10	356	612	3.6
Procurement of ammunition, Air Force	2000	644	609	607	582	516	2,959	
	2001	639	767	603	579	555	3,143	
	Change	-5	158	-4	-4	39	184	6.2
Other procurement, Air Force	2000	7,349	7,420	7,582	7,780	7,913	38,045	
	2001	7,699	7,966	7,853	7,930	7,928	39,376	
	Change	350	546	271	149	15	1,331	3.5
Total	2000	\$21,165	\$22,358	\$22,323	\$21,970	\$22,675	\$110,491	
	2001	\$20,939	\$22,593	\$23,384	\$21,855	\$22,760	\$111,532	
	Change	\$-226	\$235	\$1,060	\$-114	\$85	\$1,041	0.9

Note: Totals may not add due to rounding.

Source: Our analysis of FYDP data.

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Table 11: Defensewide Procurement Appropriations Accounts, 2000 and 2001 FYDPs (total obligational authority in millions of fiscal year 2001 dollars)

Appropriation category	FYDP	2001	2002	2003	2004	2005	Total	Percent change 2001-2005
Procurement, defensewide	2000	\$2,892	\$3,210	\$3,184	\$3,480	\$3,713	\$16,479	
	2001	2,275	3,504	3,225	3,524	3,431	15,960	
	Change	-617	295	41	44	-282	-518	-3.1
Chemical agents and munitions destruction, defense	2000	979	1,085	812	897	924	4,698	
	2001	1,004	1,116	820	938	919	4,797	
	Change	24	31	8	42	-5	99	2.1
Total	2000	\$3,871	\$4,295	\$3,996	\$4,376	\$4,638	\$21,176	
	2001	\$3,279	\$4,620	\$4,046	\$4,462	\$4,351	\$20,757	
	Change	\$-593	\$325	\$49	\$86	\$-287	\$-419	-2.0

Note: Totals may not add due to rounding.

Source: Our analysis of FYDP data.

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